



# Special Education Funding for Local Districts in 2009-2010

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## ➔ What is the issue?

Programs and services for Iowa's children and youth identified as requiring special education are funded mainly through the state's school funding formula. This funding is 87.5 percent state aid and 12.5 percent local property tax. The current funding mechanism and service delivery modes have been in place since July 1975 and started prior to the passage of the federal law (P.L. 94-142) now referred to as the Individuals with Disabilities Education Act (IDEA).

Two major factors are involved in the generation of funds for education — District Cost Per Pupil and Special Education Weighted count.

- **District Cost Per Pupil:** This is unique to each district and has recently increased by an allowable growth factor of 4 percent. The state cost per pupil for 2008-2009 was \$5,546 and increased to \$5,768 for 2009-2010.
- **Special Education Weighted Count:** The special education enrollment count — referred to as the Special Education Weighted Count — is taken the final Friday in October each year and used in the funding formula for the school year that begins the following July 1<sup>st</sup>. Each child identified as requiring special education services has an individualized education plan (per IDEA) that describes the special education services required to meet the unique needs of the child. An additional value for the enrollment factor in the state formula is assigned based on those identified needs that require a range of additional services. Usually the higher the weighting the more intense the services. Currently those values are 0.72, 1.21, and 2.74 for “additional weighting” above and beyond the state cost per pupil.

## ➔ Where does this issue currently stand?

Special education costs result from the combination of the number of students identified as a student with a disability and the level of services required through the individual education plan (IEP) or in other words the “weighting.” Both factors impact special education funding.

There has been a downward trend for the special education weighted enrollment starting with the 2004 enrollment count and continues through the 2008 enrollment count. The number of children “weighted” has decreased by 2.07 percent from 2007 to 2008 and the additional weighting for special education decreased by 3.25 percent from 2007 to 2008.

All of the 10 area education agencies (AEAs) decreased in the additional weighting amounts for the 2008 count. The range of the percent of decrease is 0.99 percent to 6.89 percent. Nine of the 10 AEAs experienced a decrease in the number of students requiring a weighting, down 1,278 students from 2007. The AEAs are also tied to this funding mechanism and will experience a smaller growth in fund generation as a result of the actual decrease in the special education enrollment.

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## LEGISLATIVE BRIEFING

Iowa Department of Education

The possible causations for decreases in special education weighted enrollment include:

- The general enrollment overall has been decreasing for several years and special education is now following that trend. Additionally, those identified are requiring a lesser weighted service to meet their needs.
- There is an increase in earlier intervening services aimed at keeping students in the general classroom and those efforts seem to be successful. These strategies include Collaborative and Co-teaching efforts.
- Professional development is provided to general education teachers to improve their skills at adapting the delivery of instruction in the general classroom is helping to meet the unique needs of students.
- No Child Left Behind requires us to be creative in meeting the needs of all students in general education. This appears to affect any school's need to access special education funding.

There was a projected 2 percent increase in the total special education weighted enrollment for the October 2008 count, which would have been used to generate funding for the 2009-2010 school year. That projected increase using the District Cost per Pupil of \$5,768 would have translated to an increase of nearly \$23 million over the 2008-2009 funding, which was \$378.4 million statewide. With 87.5 percent of this special education funding coming from state aid, there would have been an increase in state aid of \$20.1 million.

In actuality, there was **decrease** of 3.25 percent in the total special education additional weightings. That actual change in generated funding including the application for 2009-2010 of the 4 percent allowable growth for districts amounts to approximately \$2.1 million of state aid. The difference in the state aid portion from the projected 2 percent increase to the actual 3.25 percent decrease is a savings of over \$18 million.

### ➔ Where can I get more information?

Please contact the Iowa Department of Education at (515) 281-5293.